



CALIFORNIA CHAMBER of COMMERCE

July 13, 2006

The Honorable Bill Thomas
Member of the U.S. House of Representatives
United States Congress
2208 Rayburn House Office Building
Washington, DC, 20515

Dear Representative Thomas:

Re: US – Oman Free Trade Agreement

The California Chamber of Commerce, once again, urges you to approve the **US – Oman Free Trade Agreement** currently pending before Congress. Agreements like the proposed US- Oman FTA ensure that the United States may continue to gain access to world markets, which will result in an improved economy and additional employment of Americans.

As you may know, the California Chamber of Commerce is a broad-based nonprofit membership organization through which business, industry and agriculture join forces to work toward positive action on key issues that affect California's economic climate.

The organization, established in 1890, is the largest and most broadly based employer representative in Sacramento. Its members include 15,000 firms of all kinds and sizes, representing three million jobs--one quarter of the state's private sector workforce, as well as 450 affiliated local chambers of commerce and 200 trade associations. Through its grassroots action program, the California Chamber reaches out to a statewide network of approximately 430,000 small business owners.

The California Chamber supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

California is one of the ten largest economies in the world with a gross state product of approximately \$1.4 trillion. International related commerce accounts for approximately one-quarter of the state's economy. Export-supported jobs account for more than 10 percent of California's total private sector employment - about one in 10 jobs.

In 2005, California exports to Oman were over \$20 million. California is one of the nation's top exporters, with consistent growth in exports of computers, electronic products and machinery. The US-Oman Free Trade Agreement will continue to increase our state's exports in these areas, as well as, California's agricultural and manufacturing industries.

This FTA will benefit US exports of both goods and services. Oman is a potential market for US oil equipment and services, transportation equipment, water and environmental technology, medical equipment, electrical and mechanical equipment, power generation and transmission

equipment and services, telecommunications equipment and services, financial services, franchising, and US poultry and beef. Bilateral trade between the United States and Oman totaled nearly \$1.1 billion in 2005. US goods exports to Oman rose to \$593 million last year, with significant growth in sales of aircraft and vehicles. An FTA with Oman will add to this success.

A US-Oman Free Trade Agreement and a possible US-Middle East Free Trade Area are critical elements of the US strategy to liberalize trade through multilateral, regional and bilateral initiatives. It will also send a strong signal that the United States intends to remain heavily engaged in the Middle East for a long time to come in business, economics, security and international politics.

The US – Oman Free Trade Agreement will benefit those of us in California and the United States as a whole, and we thank you for your consideration of this important piece of legislation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allan Zaremberg', with a stylized, flowing script.

Allan Zaremberg
President & CEO

AZ:spp